

To better understand the differences between the General Purpose HCSA, Limited Purpose HCSA, and the Health Savings Account (HSA), please see the comparison chart below.

Comparison Chart		
General Purpose Health Care Spending Account	Limited Purpose Health Care Spending Account	Health Savings Account (HSA)
Do not have to be enrolled in a HDHP or have health coverage at all	Same as General Purpose HCSA  Intended to be used with the HDHP and a Health Savings Account	Must be enrolled in the State Health Benefit Plan (SHBP) High Deductible Health Plan (HDHP)
Distributions cover qualified medical expenses as defined under Section 213 (d) of the Internal Revenue Code	Distributions cover only qualified dental and vision expenses as defined under Section 213 (d) of the Internal Revenue Code	Distributions cover qualified medical expenses as defined under Section 213 (d) of the Internal Revenue Code and certain other expenses (LTC and COBRA premiums)
*Debit Card is available at no charge. Claims can be filed for reimbursement.	*Same as General Purpose HCSA	*Debit Card is available at no charge. If debit card not used, checks are available for a fee. No claims are filed.
The employee funds the account on a pre-tax basis (up to a maximum of \$5,040) through monthly election.	Same as General Purpose HCSA	The employee funds the account on a pre-tax basis, up to a maximum of \$1,100 (single) and \$2,200 (family) through monthly election and catch up contributions.
The annual amount the employee elects is available on the first day of coverage, regardless of the amount contributed by the date of the reimbursement request.	Same as General Purpose HCSA	Only the amount of the actual account balance is available for reimbursement.
<b>Unused balances are forfeited.</b> Expenses must be incurred by March 15th of the following plan year or by termination of employment, if before the end of the aforementioned benefit period.	Same as General Purpose HCSA	Unused balances are not forfeited and are carried from year to year.
The account cannot be taken with you upon termination, unless the employee is transferring between entities participating in the Flexible Benefits Program.	Same as General Purpose HCSA	The employee owns the account and keeps the account even if he/she changes health plans or terminates/retires.
No investment options available and interest does not accrue.	Same as General Purpose HCSA	Investment options are available with a minimum balance and interest accrues on a tax-free basis.
IRS regulations require that each claim be substantiated.	Same as General Purpose HCSA	Proof of expenses is not required, but the employee should be prepared to substantiate expenses to the IRS upon request.
Limited Changes can be made to contribution amount based on Qualifying Change in Status Event.	Same as General Purpose HCSA	Contribution can be started, stopped or changed at any payroll period on a prospective basis.
No tax forms to submit. Pre-tax amounts are shown on W-2.	Same as General Purpose HCSA	Tax forms 1099 SA and 5498 5A are sent to employee for filing in addition to W-2

*\*The Debit Card is the same for the Limited or General Purpose Health Care Spending Account (HCSA). If an employee had the General Purpose last Plan Year and enrolls for the Limited or General Purpose HCSA this Plan Year, they should keep the Card and not destroy it. If the Health Savings Account (HSA) is selected, a separate card will be issued. The two cards will be identified by separate colors and headings, "SHPS Flexible Spending Account Card" and "SHPS Health Savings Account Card."*